Technology Supported Learning Revolving Fund

Government of Saskatchewan

Letters of Transmittal

Her Honour, the Honourable Vaughn Solomon Schofield
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Financial Statements of the Technology Supported Learning Revolving Fund for the nine month period ending January 1, 2013.

Russ Marchuk
Minister of Education

The Honourable Russ Marchuk
Minister of Education

I have the honour of submitting the Financial Statements of the Technology Supported Learning Revolving Fund for the nine month period ending January 1, 2013.

Dan Florizone
Deputy Minister of Education

PROVINCIAL AUDITOR
of Saskatchewan

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Technology Supported Learning Revolving Fund, which comprise the statement of financial position as at January 1, 2013, and the statements of operations and accumulated operating surplus, and changes in accumulated net recovery for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

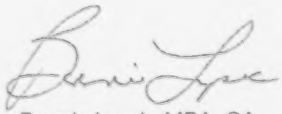
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Technology Supported Learning Revolving Fund as at January 1, 2013, and the statements of operations and accumulated operating surplus, and changes in accumulated net recovery for the nine-month period then ended in accordance with Canadian public sector accounting standards.



Regina, Saskatchewan
June 12, 2013

Bonnie Lysyk, MBA, CA
Provincial Auditor

1500 Chateau Tower - 1920 Broad Street Regina, Saskatchewan S4P 3V2
t 306.787.6398 f 306.787.6383 e info@auditor.sk.ca
) www.auditor.sk.ca

Technology Supported Learning Revolving Fund
Statement of Financial Position

	As at January 1 2013	As at March 31 2012
Financial Assets		
Accumulated net recovery - Statement 3	$ -	$ 13,684
Total Financial Assets	$ -	$ 13,684
Liabilities		
Accounts payable and accrued liabilities	$ -	$ -
Total Liabilities	$ -	$ -
Accumulated operating surplus - Statement 2	**$ -**	**$ 13,684**

(See accompanying notes to the financial statements)

Technology Supported Learning Revolving Fund
Statement of Operations and Accumulated Operating Surplus

	2013 Budget *(Note 7)*	For the 9 months ended January 1 2013	For the Year ended March 31 2012
Revenues *(Note 8)*	$ -	$ -	$ -
Total revenues	$ -	$ -	$ -
Expenses			
Total expenses	$ -	$ -	$ -
Annual surplus	$ -	$ -	$ -
Accumulated operating surplus (deficit), beginning of year		13,684	13,684
Transfer to General Revenue Fund *(Notes 1 and 4)*		(13,684)	-
Accumulated operating surplus, end of period – to Statement 1		$ -	$ 13,684

(See accompanying notes to the financial statements)

Technology Supported Learning Revolving Fund
Statement of Changes in Accumulated Net Recovery

	For the 9 months ended January 1 2013	For the year ended March 31 2012
Financing required for operating activities:		
Annual surplus	$ -	$ -
Net (increase) decrease in working capital related to operations (*Note 5*)	-	(11,250)
	$ -	$ (11,250)
Accumulated net recovery (expenditure), beginning of year	13,684	24,934
Transfer to General Revenue Fund *(Notes 1 and 4)*	(13,684)	-
Accumulated net recovery, end of period - to Statement 1	$ -	$ 13,684

(See accompanying notes to the financial statements)

Technology Supported Learning Revolving Fund
Notes to Financial Statements
January 1, 2013

1. Authority and Definition of Entity

The Technology Supported Learning Revolving Fund (Revolving Fund) was established April 1, 1990, pursuant to Section 11 of *The Education Act, 1995*. The purpose of the Revolving Fund is to provide educational services at the high school level, Grades 10-12, to Saskatchewan residents through distance education.

In the Ministry of Education's 2008-09 budget process, Treasury Board approved the Ministry's proposal to discontinue online courses and transition the delivery of distance education to the educational sector.

Effective April 1, 2010, transactions flowing through the Revolving Fund were to collect receivables, discharge liabilities and to transfer net assets to the General Revenue Fund. Legislation to wind up the Revolving Fund was proclaimed on January 1, 2013.

2. Significant Accounting Policies

Pursuant to standards established by the Public Sector Accounting Board, the Revolving Fund was classified as an other government organization. These financial statements are prepared in accordance with Canadian public sector accounting standards. These financial statements do not present a Statement of Change in Net Financial Assets or a Statement of Cash Flows because this information is readily apparent from the Statement of Changes in Accumulated Net Recovery (Expenditure) and Note 5. The following accounting policies are considered significant:

a. Net Financing Requirements
The net financing requirement is the cash flow from (to) the General Revenue Fund. It represents the total annual financing requirements resulting from the net capital acquisitions, working capital changes and net cash flows from operations.

b. Accumulated Net Recovery (Expenditure)
Expenditures of the Revolving Fund are made directly out of the General Revenue Fund (GRF) and receipts are deposited directly into the GRF. The excess of the accumulated expenditures over accumulated receipts is the accumulated net expenditure balance or outstanding borrowing from the GRF.

The accumulated net recovery (expenditure) of the Revolving Fund includes the aggregate of net financing requirements for all fiscal years resulting from the Revolving Fund's changes in working capital and net cash flow from operations.

3. Authorized Financing

Section 11(12) of *The Education Act, 1995* provided for a maximum amount of accumulated net expenditures which may at any time be outstanding to be set by order of the Lieutenant Governor in Council. Order in Council 776/90 set the maximum amount at $1,200,000.

4. Accumulated Operating Surplus (Deficit)

Treasury Board controlled the operations of the Revolving Fund, in part by monitoring the amount of its accumulated operating surplus (deficit). If the actual amount of the surplus (deficit) exceeded the limit specified by Treasury Board, management was responsible to present a plan to address the excess surplus or deficit for approval by Treasury Board. Plans included, but were not limited to, payment of excess surplus to, or requests for additional funding from, the General Revenue Fund. The approved surplus or deficit limit of the Technology Supported Learning Revolving Fund was $100,000. The Revolving Fund transferred the remaining net recovery to the General Revenue Fund.

5. Net Change in Working Capital Items Related to Operations

	2013	2012
Decrease in accounts receivable	$ -	$ -
Decrease in accounts payable and accrued liabilities	-	11,250
Net increase (decrease) in working capital items	$ -	$ 11,250

6. Related Parties

The Revolving Fund was related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Revolving Fund was related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties were recorded at the rates charged by those organizations and were settled on normal trade terms.

7. Budget

Prior to April 1, 2010, Treasury Board approved the Revolving Fund's budget annually. Effective April 1, 2010, the only transactions flowing through the Revolving Fund were to collect receivables, discharge liabilities and transfer net assets to the General Revenue Fund. As a result no 2012-13 budget was approved by Treasury Board.

8. Other Revenue

There were no revenue transactions in either the previous year or the current year.